

EXHIBIT G

SOFTWARE LICENSE AGREEMENT

This Software License Agreement will take effect following Licensee Acceptance of the Licensed Software and prior to any Use of the Licensed Software in production.

DEFINITIONS

1.1 **Acceptance** means written acknowledgment by Licensee that a particular portion of the Licensed Software provided by Licensor performs in accordance with and conforms to the applicable Acceptance Criteria; provided, however, that whenever Acceptance is required herein, it shall conclusively be deemed to have been given by Licensee if it has not provided written notice to Licensor, in the manner and within the time period set forth in Section 3 ("Acceptance Testing"), that the portion of the Licensed Software fails to meet the applicable Acceptance Criteria.

1.2 **Acceptance Criteria** means such set of tests and protocols that Licensor and Licensee may mutually develop from time to time hereunder, for the purpose of determining whether a particular portion of the Licensed Software performs in accordance with the applicable Specifications.

1.3 **Bug Fixes** means those services provided by Licensor to Licensee pursuant to Section 4.2 ("Bug Fixes") of this Agreement.

1.4 **Documentation** includes user and technical manuals and publications which facilitate the use of and relate to the Licensed Software, together with any written product information, instructions, Specifications or use guidelines made available by Licensor.

1.5 **Licensed Software** means the proprietary computer software programs generally referred to by Licensor as Sustain eCourt, together with all related Documentation. The Licensed Software specifically does not, however, include separate Licensor products such as Licensor's Justice Edition software or its "SDK", or components such as any database management system or other third party software or hardware required to operate the Licensed Software effectively.

1.6 **License Fees** means the annual fees to be paid pursuant to Section 2.2.2 ("License Fees") by Licensee to Licensor in advance for the license of the Licensed Software licensed hereunder.

1.7 **Licensee** means the County of San Luis Obispo.

1.8 **Licensor** means Sustain Technologies, Inc.

1.9 **Maintenance** means enhancements, upgrades and new releases of the Licensed Software, which includes only those additions and/or modifications to the Licensed Software which (A) enhance functionality and/or performance without fundamentally altering the nature or manner in which the Licensed Software operates, and (B) are made generally available without additional or increased charges to other persons entitled to receive maintenance from Licensor.

1.10 **Services Contract** means that certain Professional Services Agreement between Licensor and Licensee, of even date herewith.

1.11 **Specifications** means the published functionalities of the Licensed Software, or such other specifications as may be described in a statement of work pursuant to the Services Contract or that are otherwise mutually agreed upon by Licensor and Licensee.

1.12 **Use or Using** means (i) transferring any portion of the Licensed Software from storage units or media into computer or terminal equipment for utilization or processing; (ii) accessing any portion of the Licensed Software for any purpose (including, without limitation, viewing information already in the Licensed Software); or (iii) merging any Licensed Software in machine readable form into another program; provided, however, that Use or Using does not include granting a consultant or other third party access to the Licensed Software for purposes of programming against it.

1.13 **User** means (a) any individual person who has been authorized by the Licensee (through a username and password) to use the Licensed Software (regardless of the manner or device through which such individual person uses the Licensed Software, including, without limitation, through any computer terminal, workstation, pc/cpu, laptop, wireless or network node, tablet, smartphone, or mobile device) or (b) any other non-Probation Department government employees and contractors who are performing their jobs, or (c) any individual person who is a member of the general public (including litigants and their attorneys, reporters and interested citizens, but not government employees or contractors who are performing their jobs), in each case accessing the Licensed Software at any given time for any reason (including to file documents electronically or to view information already in or accessible through the Licensed Software).

2. LICENSE

2.1 Grant of License. Upon commencement of the License Term, Licensor grants to Licensee and Licensee hereby accepts from Licensor a non-exclusive, non-transferable, personal license to install and Use the Licensed Software; provided, however, that Licensee's rights with respect to the Licensed Software are at all times and in all respects subject to the terms and conditions of this Agreement. Licensee's authorized Users may Use the Licensed Software only during the License Term and only so long as Licensee has paid the required License Fees and is not otherwise in default

under this Agreement. The Licensed Software is the proprietary information and a trade secret of Licensor and this Agreement grants Licensee no title or rights of ownership in the Licensed Software.

2.2 License Term and License Fees.

2.2.1 License Term. The License Term shall commence on the later to occur of (i) the date of Acceptance by Licensee of the Licensed Software or (ii) the receipt by Licensor of the applicable License Fees from Licensee, at which time Licensor shall provide Licensee with the requisite license file. The License Term shall continue for five (5) years following such date, subject to the right of Licensee to renew the License Term as provided herein (the “**License Term**”). Licensee may renew the License Term for an additional five (5) years upon written notice to Licensor, given not less than sixty (60) calendar days prior to the end of the original License Term; provided, however, that Licensor shall have the right to condition this License Term renewal upon an increase in the License Fees under this Agreement. Licensor may not increase License Fees or Support Fees to an amount greater than the applicable fees set forth on Exhibit G-1 multiplied by a fraction (i) the numerator of which is the index number in the Consumer Price Index (All Urban Consumers) for the Standard Metropolitan Statistical Area (or equivalent) that then includes San Francisco, California, as published by the U.S. Department of Labor or other authoritative federal government agency, for the October immediately preceding the commencement of the next specified twelve (12) month period and (ii) the denominator of which is said index number for October 2012. If Licensor so elects, Licensor shall provide notice to Licensee within thirty (30) calendar days of the receipt of Licensee’s notice of renewal, and Licensor shall at that time advise Licensee of the new rates and fees arrangements. If Licensee does not object to the identified increase, if any, then the license shall be extended at the rates specified in Licensor’s notice of rate increase. If Licensee does object, it shall give written notice of objection to Licensor within fifteen (15) calendar days of Licensor’s notice of rate increase, and unless the parties agree on terms for an extension, the license shall then expire upon completion of the original License Term.

2.2.2 License Fees. Licensee shall make payment of the License Fees to Licensor, at the rate currently calculated at \$50,000 annually (based upon 44 Users, subject to adjustment based upon the actual number of Users), in advance of the applicable year of the License Term; provided that the License Fees for the first year must be paid prior to the time at which the Licensed Software is taken into production because the license granted pursuant to this Agreement shall not be effective until such License Fees are paid and the Licensed Software has been Accepted. Payment of such License Fees shall entitle Licensee to authorize the following number of Users to Use the Licensed Software, pursuant to Exhibit G-1 of this Agreement as follows:

- (a) 34 Users as defined in Section 1.11(a) above, and

(b) An unlimited number of Users as defined in Section 1.11(b) above, priced as 7 additional Users, and

(c) An unlimited number of Users as defined in Section 1.11(c) above, priced as 3 additional Users.

If Licensee desires to increase the number of Users, Licensee shall give notice to Licensor, which shall be promptly followed by payment reflecting the increased License Fees, calculated according to Licensee's then-current rates as outlined in Exhibit G-1.

2.2.3 Licensee may also reduce the number of Users of the Licensed Software, and the commensurate fee payable as written in the attached Exhibit G-1, but only by written notice given at least sixty (60) calendar days before the next anniversary of the Effective Date.

2.2.4 Certain Specific Limitations. Licensee shall not, and shall not permit any User or other party to, (a) copy or otherwise reproduce, reverse engineer or decompile all or any part of the Licensed Software, (b) make alterations to or modify the Licensed Software, (c) grant sublicenses, leases or other rights in or to the Licensed Software, or (d) permit any party access to the Licensed Software for purposes of programming against it.

3. ACCEPTANCE

3.1 Acceptance Testing. Licensee will be solely responsible for the final acceptance testing of each portion of the Licensed Software. Upon notice from Licensor that a portion of the Licensed Software is ready for testing, Licensee shall commence acceptance testing of the same. Licensee shall have thirty (30) calendar days from the date of Licensor's notice to examine and test the portion of the Licensed Software, to determine whether it conforms to the relevant Acceptance Criteria. Within that review period, Licensee shall provide Licensor (in the manner required generally for notice) with Acceptance of the portion of the Licensed Software, or a written statement of errors to be corrected.

3.2 Corrections. When a portion of the Licensed Software has not been given Acceptance because an error or deficiency was found and Licensee has provided Licensor with a statement of errors, Licensor shall as promptly as practicable correct the identified errors or deficiencies and redeliver the portion of the Licensed Software in question to the Licensee, giving Licensee notice thereof. Licensee shall then, within fifteen (15) calendar days, repeat any necessary testing and provide Licensor with Acceptance or a further written statement of errors.

4. MAINTENANCE, BUG FIXES AND HELP DESK SUPPORT

4.1 Maintenance. Maintenance will be provided for the Licensed Software provided that Licensee has paid the applicable License Fees, and subject to all of the terms and conditions of the license granted to Licensee herein.

4.2 Bug Fixes. After Acceptance, Licensee may request Bug Fixes to be provided by Licensor, which shall comprise correction of errors and deficiencies that may occur in the Licensed Software that cause the Licensed Software not to function in conformance with the Specifications.

4.3 Help Desk Support. Help desk support shall be billed at \$200 per hour (billed at fifteen (15) minute increments), with payment by Licensee due within sixty (60) calendar days after receipt of the invoice from Licensor. Services that go beyond routine help desk support may be provided under the terms of the Services Contract upon agreement of the parties thereto. Alternatively, support may be contracted pursuant to the Professional Services Agreement between Licensee and Licensor.

5. WARRANTY

5.1 Licensed Software Warranty. Licensor warrants that the Licensed Software will perform as it was Accepted in all material respects during the License Term. Notwithstanding the foregoing, this warranty shall not apply and Licensor will incur no liability whatsoever if there is or has been (a) the use of any non-current version of the Licensed Software, (b) the combination of the Licensed Software with any other software not recommended, provided or authorized by Licensor, (c) modification of the Licensed Software, or (d) any use of the Licensed Software in breach of this Agreement.

5.2 Warranty of Law. Licensor represents and warrants that to the best of Licensor's knowledge: (i) there is no claim, litigation or proceeding pending or threatened against Licensor with respect to the Licensed Software or any component thereof alleging infringement of any patent or copyright or any trade secret or any proprietary right of any person; (ii) the Licensed Software complies in all material respects with applicable laws, rules and regulations; (iii) Licensor has full authority to enter into this Agreement and to consummate the transactions contemplated hereby; and (iv) this Agreement is not prohibited by any other agreement to which Licensor is a party or by which it may be bound (the "**Legal Warranty**"). In the event of a breach of the Legal Warranty, Licensor shall indemnify and hold harmless Licensee from and against any and all harm, injury, damages, costs, losses, liabilities, settlement amounts and expenses, including reasonable attorneys' fees and expenses, incurred by Licensee arising out of said breach.

5.3 Warranty of Title. Licensor further warrants that (i) it has good title to the Licensed Software; (ii) it has the absolute right to license the Licensed Software; (iii) as

long as Licensee is not in material default hereunder, Licensee shall quietly and peacefully possess and Use the Licensed Software provided hereunder subject to and in accordance with the provisions of this Agreement; and (iv) Licensor shall be responsible for and have full authority to license all proprietary and/or third party software modules, algorithms and protocols that are incorporated into the Licensed Software (the “**Title Warranty**”). In the event of a breach of the Title Warranty, Licensor shall indemnify and hold harmless Licensee from and against any and all harm, injury, damages, costs, losses, liabilities, settlement amounts and expenses, including reasonable attorneys’ fees and expenses, incurred by Licensee arising out of said breach.

5.4 Effect of Breach of Warranty. If, at any time during the License Term, the Licensed Software fails to perform according to any warranty of Licensor under this Section 5 (“Warranty”), Licensee shall promptly notify Licensor in writing of such alleged nonconformance, and Licensor shall provide Bug Fixes subject to the limitations contained in Section 4.2 (“Bug Fixes”), but only so long as the alleged nonconformance is not caused by an act of Licensee or any third party not under the control of or authorized by Licensor. After the Bug Fixes have been performed, if any such non-performance materially impairs the ability of Licensee to utilize the Licensed Software, Licensee shall have the right, on thirty (30) calendar days’ notice, to terminate the license and this Agreement (with a credit for License Fees paid for the period in which utilization was materially impaired).

5.5 No Other Warranties. THE WARRANTIES AND REPRESENTATIONS STATED WITHIN THIS AGREEMENT ARE EXCLUSIVE, AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. LIMITATIONS ON LIABILITY

6.1 Limitations on Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF ANTICIPATED PROFITS IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT. FURTHERMORE, IN NO EVENT SHALL LICENSOR BE LIABLE TO LICENSEE FOR ANY AMOUNT IN EXCESS OF THE AMOUNT OF LICENSE FEES ACTUALLY RECEIVED BY LICENSOR UNDER THIS AGREEMENT; PROVIDED THAT THIS LIMITATION SHALL NOT APPLY TO LICENSOR’S INDEMNIFICATION OBLIGATIONS UNDER SECTION 5.2 (“WARRANTY OF LAW”) OR SECTION 5.3 (“WARRANTY OF TITLE”).

7. CONFIDENTIALITY

7.1 Licensee’s Responsibilities. Licensee hereby agrees that (a) the Licensed Software and other materials received from Licensor under this Agreement is the confidential and proprietary information of Licensor, (b) Licensee shall take all necessary steps to protect and ensure the confidentiality of the Licensed Software and other

materials, and (c) except as permitted by the terms of Section 2.1 (“Grant of License”), neither the Licensed Software nor any of the other materials shall be in any way disclosed by Licensee to any third party, in whole or in part, without the prior written consent of Licensor, which may be granted or withheld in its sole discretion. If Licensee becomes aware of the unauthorized possession of the Licensed Software or any of the other materials, it shall promptly notify Licensor. Licensee shall also assist Licensor with preventing the recurrence of such unauthorized possession and with any litigation against the third parties deemed necessary by Licensor to protect its proprietary rights.

7.2 Licensor’s Responsibilities. Licensor hereby agrees that (a) any information related to the official business of Licensee that Licensor obtains from Licensee in the course of the performance of this Agreement is the confidential and proprietary information of Licensee, (b) Licensor shall take all necessary steps to protect and ensure the confidentiality of such information, and (c) such information shall not be in any way disclosed by Licensor to any third party, in whole or in part, without the prior written consent of Licensee, which may be granted or withheld in its sole discretion.

7.3 Confidentiality Breach. In the event a party breaches any of its obligations under this Section 7 (“Confidentiality”), the breaching party shall indemnify, defend and hold harmless the non-breaching party from and against any and all harm, injury, damages, costs and expenses incurred by the breaching party arising out of such breach. In addition, the non-breaching party will be entitled to obtain injunctive relief against the breaching party.

7.4 Exclusions. The provisions of this Section 7 (“Confidentiality”) shall not apply to any information (a) that is in the public domain prior to the disclosure or that that becomes part of the public domain other than by way of a breach of this Agreement, (b) that was in the lawful possession of the Licensor or Licensee, as the case may be, prior to the disclosure without a confidentiality obligation to any person, (c) that was disclosed to the Licensor or Licensee, as the case may be, by a third party who was in lawful possession of the information without a confidentiality obligation to any person, or (d) that was independently developed by Licensor or Licensee, as the case may be, outside the scope of this Agreement.

8. TERMINATION

8.1 Termination by Licensor.

8.1.1 Payment Default. Licensor shall have the right to terminate the license granted in Section 2.2 (“License Term and License Fees”), and this Agreement (but reserving cumulatively all other rights and remedies under this Agreement, in law and/or in equity), for any failure of Licensee to make payments of moneys due when the same are due, and such failure continues for a period of thirty (30) calendar days after written notice thereof by Licensor to Licensee.

8.1.2 Other Licensee Defaults. Licenser may terminate the license granted in Section 2.2 ("License Term and License Fees"), and this Agreement (but reserving cumulatively all other rights and remedies under this Agreement, in law and/or in equity), for any material violation or breach by Licensee which violation or breach continues for a period of thirty (30) calendar days after written notice thereof by Licenser to Licensee.

8.2 Termination by Licensee. Licensee shall have the right to terminate this Agreement (reserving cumulatively all other rights and remedies under this Agreement, in law and/or in equity) without further obligation or liability to Licenser (except as specified herein) if Licenser commits any material violation or breach of this Agreement and fails to remedy such breach within thirty (30) calendar days after written notice by Licensee to Licenser of such breach. Licensee shall have the right to terminate this Agreement effective immediately and without prior notice if Licenser goes into liquidation or bankruptcy, or if Licenser permanently discontinues Maintenance for the Licensed Software.

8.3 Actions Upon and Following Termination. Licensee must cease use of the Licensed Software immediately upon termination, and must return the Licensed Software and all other products and information received by Licensee from Licenser under this Agreement within thirty (30) calendar days after termination.

9. GENERAL

9.1 Waiver, Amendment or Modification. The waiver, amendment or modification of any provision of this Agreement or any right, power or remedy hereunder shall not be effective unless made in writing and signed by both parties. No failure or delay by either party in exercising any right, power or remedy with respect to any of its rights hereunder shall operate as a waiver thereof.

9.2 Notice. All notices under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person, by commercial overnight courier or by registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

To Licenser: Sustain Technologies, Inc.
915 East First Street
Los Angeles, CA 90012
Attention: President
Phone Number: (213) 229-5434

To Licensee: County of San Luis Obispo Probation Department
Attention: James E. Salio, Chief Probation Officer
1730 Bishop Street
Phone Number: 805-781-5300

9.3 No Third Party Beneficiaries. This Agreement is not intended to create any right in or for the public, or any member of the public, any subcontractor, supplier or any other third party, or to authorize anyone not a party to this Agreement to maintain a suit to enforce or take advantage of its terms.

9.4 Successors and Assigns. Neither party may assign this Agreement in whole or part without the prior written consent of the other party. Any attempt to assign this Agreement without the prior written consent of the other party is void and without legal effect, and such an attempt constitutes grounds for termination by the other party. Subject to the foregoing, all of the terms, conditions, covenants, and agreements contained herein shall inure to the benefit of, and be binding upon, any successor and any permitted assignees of the respective parties hereto. It is further understood and agreed that consent by either party to such assignment in one instance shall not constitute consent by the party to any other assignment. A transfer of corporate control, merger, sale of substantially all of a party's assets and the like, even though including this Agreement as an assigned asset or contract, shall not be considered an assignment for these purposes.

9.5 Governing Law; Venue. The validity, construction and performance of this Agreement and the legal relations among the parties to this Agreement shall be governed by and construed in accordance with the laws of the State of California without giving effect to its conflict of law principles. Any lawsuit or other action based on a claim arising from this Agreement shall be brought in a court or other forum of competent jurisdiction within Los Angeles County, California.

9.6 Severability. In the event any one or more of the provisions of the Agreement shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a provision, which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

EXHIBIT G-1

LICENSE FEES

The License Fee shall be determined in accordance with the following two steps:

First, multiply the number of users identified in clause (a) of the definition of “User” in Section 1.11 of the Agreement by 1.3 (and round to the next whole number), which then covers such Users plus an unlimited number of Users of the kind described in clause (b) of such definition (i.e., other governmental agencies, which represent .2 of the 1.3) and in clause (c) of such definition (i.e., public users, which represent .1 of the 1.3).

Second, refer to such number of Users in the chart below and add any additional per User fee to the License Fee.

Sustain eCourt Annual Rates		
<u>Users</u>	<u>Annual Cost/User</u>	<u>Total Annual Cost</u>
Up to 44*	N/A	\$50,000
45-100	\$357	
100-250	\$790	

*Includes license fee for 34 Users plus 20% for other governmental agencies and 10% for public users, for a total of 44 Users